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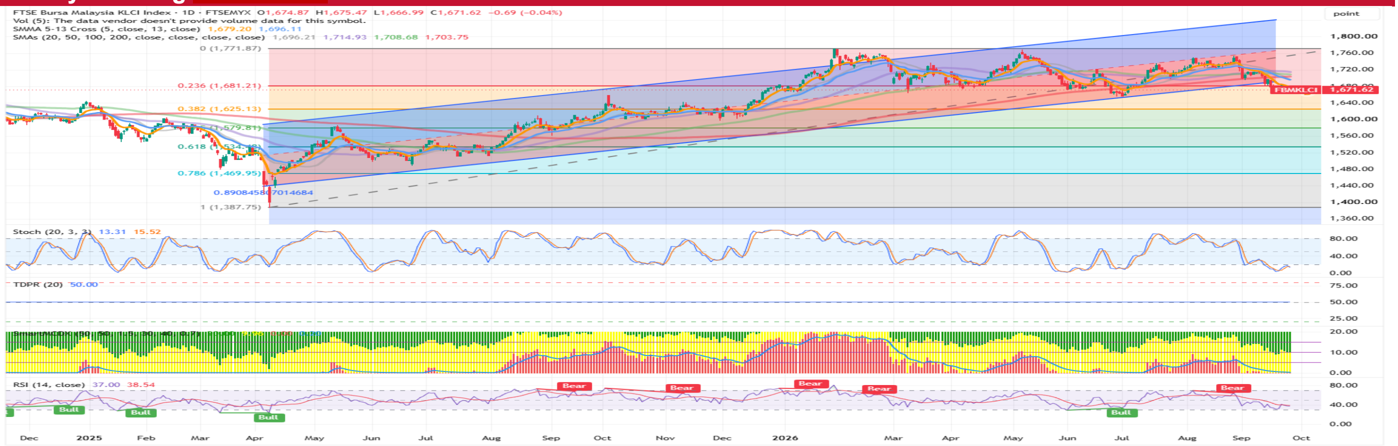
Weekly Technical Highlights – FBM KLCI

Weekly Charting – FBM KLCI



Source: TradingView

Key Support & Resistance Levels:

Last Price	:	1,671.62	
Resistance	:	1,679 (R1)	1,691 (R2)
Support	:	1,661 (S1)	1,627 (S2)
Weekly view	:	Slight upward bias	

FBM KLCI

- The FBM KLCI edged up 0.36% WoW (+6.06 points) to 1,671.62, snapping four consecutive weeks of losses as bargain hunting in beaten-down index heavyweights offset persistent external headwinds. Market sentiment improved earlier in the week on hopes of an extension to the U.S.-China trade truce ahead of the Trump-Xi meeting, while easing U.S. Treasury yields provided some relief to regional equities. Meanwhile, WTI crude eased to around USD92/bbl as signs of easing Middle East tensions reduced concerns over energy supply disruptions. Persistent foreign selling also continued to weigh on the local market, limiting the sustainability of the rebound. Among key sectors, Energy (+5.0%), Utilities (+4.8%) and Construction (+2.4%) advanced, while Plantation (-1.7%) and Health Care (-1.1%) declined.
- Looking ahead, external cues will remain key in shaping FBM KLCI sentiment. Investor focus will turn to the U.S. PCE inflation report on Wednesday, followed by ISM manufacturing data and the September non-farm payrolls report later in the week. Stronger inflation or labour data could push Treasury yields higher and weigh on regional fund flows, while softer readings may provide some relief. Domestically, attention will be on Malaysia's August PPI for signs of cost pressures, while foreign fund flows and crude oil prices remain key near-term drivers.
- Technically, the index's near-term setup could turn more constructive after the recent pullback. Both Stochastic and RSI are now near the lower end of their recent ranges, suggesting selling pressure may be easing, while the latest lower-shadow candle points to some buying support. This could provide room for a technical rebound in the near term.
- In short, we expect the FBM KLCI to consolidate with a slight upward bias this week, supported by oversold momentum and signs of buying interest near recent lows. The technical setups of key index heavyweights, including PBBANK, MAYBANK and CIMB, also appear to be stabilising after the recent pullback, which could provide some support to the index. Key support levels are seen at 1,661 (intraweek low) and 1,627 (100-week SMA), while resistance levels are at 1,679 (5-day SMA), and 1,691 (50-week SMA).

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